

## **REMARKS:**

Claims 1-3 are presented for examination. Claim 1 has been amended hereby.

Reconsideration is respectfully requested of the rejection of claims 1-3 under 35 U.S.C. 112, first paragraph, as allegedly failing to comply with the written description requirement.

On page 3 of the July 9, 2008 Final Office Action the Examiner asserts that “Independent claim 1 has been amended to specify that the first issuer and the second issuer act as a debtor; however, there is no support for this feature in the specification, claims, or drawings, as originally filed; therefore, the amendments in question constitutes new matter.”

### **Applicant respectfully disagrees.**

That is, applicant respectfully submits that the claimed feature regarding the first issuer acting as a debtor and the second issuer acting as a debtor may be found in the originally filed application.

More particularly (and as discussed by applicant at the end of the Remarks section of the last Amendment), support for the claimed feature regarding each issuer acting as a debtor may be found, for example, as follows:

- At page 5, indicating at the second-to-last paragraph that “The Notes are obligations of the Issuer alone and are not of, or guaranteed in any way by any other person.” – it is respectfully submitted that when the specification describes “Notes” as “obligations” of the Issuer that are not guaranteed by any other person, this is clearly a reference to the Issuer acting as a debtor.
- At page 127, showing on a “Form of Permanent Global Note” the COMPANY as “Issuer” and in paragraph 5 of that page describing the Issuer’s promise to pay principal, interest and additional amounts – it is respectfully submitted that when the specification describes the Issuer’s promise to pay principal, interest and additional amounts, this is clearly a reference to the Issuer acting as a debtor.
- At page 136, showing on a “Form of Bearer Note” the COMPANY as “Issuer” and in paragraph 2 of that page describing the Issuer’s promise to pay redemption amount, interest and additional amounts – it is respectfully submitted that when the specification describes the Issuer’s promise to pay redemption amount, interest and additional

amounts, this is clearly a reference to the Issuer acting as a debtor.

Therefore, it is respectfully submitted that the rejection of claims 1-3 under 35 U.S.C. 112, first paragraph, has been overcome.

Reconsideration is respectfully requested of the rejection of claims 1-3 under 35 U.S.C. 112, second paragraph, as allegedly being indefinite.

On page 3 of the July 9, 2008 Final Office Action the Examiner asserts that “Independent claim 1 recites that the first issuer and the second issuer act as a debtor. It is not clear what the metes and bounds of ‘acting as debtor’ include, thereby rendering the claimed invention vague and indefinite.”

**Applicant respectfully disagrees.**

Nevertheless, in order to expedite prosecution of the present application, independent claim 1 has been amended hereby to be even more clear and definite in this regard.

More particularly, independent claim 1 has been amended hereby to recite, *inter alia*, the following:

- “wherein the first issuer, in acting as a debtor, promises to pay at least principal and interest on the note issued by the first issuer”
- “wherein the second issuer, in acting as a debtor, promises to pay at least principal and interest on the note issued by the second issuer”

For the Examiner’s convenience, it is noted here that support for these claim amendments regarding each issuer, in acting as a debtor, promising to pay at least principal and interest on the note issued by each issuer may be found in the originally filed specification at, for example, page 127 – particularly paragraph 5 (emphasis in the original):

**5 Promise to Pay:** Subject to the Conditions, the Issuer, for value received, hereby promises to pay the bearer upon presentation and (when no further payment is due) surrender of this Global Note:

**5.1 Principal:** on the date on which it becomes due, the Redemption Amount in respect of the Outstanding Principal Amount;

- 5.2 Interest:** on any date on which it becomes payable, interest on such Outstanding Principal Amount on the basis set out in the Conditions; and
- 5.3 Additional Amounts:** such other amounts as are payable under the conditions.

Therefore, it is respectfully submitted that the rejection of claims 1-3 under 35 U.S.C. 112, second paragraph, has been overcome.

Reconsideration is respectfully requested of the rejection of claims 1-3 under 35 U.S.C. 103(a) as allegedly being unpatentable over U.S. Patent Publication 2002/0143687, hereinafter “Bahar”.

Applicant had submitted to the Examiner in the last Amendment that the feature directed to each note sold having been issued by an issuer acting as a debtor that is itself one party to the respective multi-jurisdictional program contract is not taught, shown or even suggested by the Bahar reference.

As the Examiner’s response is best understood (see, e.g., pages 6-8 of the July 9, 2008 Final Office Action), the Examiner is not asserting that this feature is disclosed in the Bahar reference but, rather, that the feature is not being given patentable weight.

In this regard, applicant respectfully submits that the feature, as claimed, should be given patentable weight and should be considered to render the claim patentably distinct over the Bahar reference at least for this reason.

**Nevertheless, in an effort to expedite prosecution of the present application, independent claim 1 has been amended hereby to more clearly utilize the feature directed to each note sold having been issued by an issuer acting as a debtor that is itself one party to the respective multi-jurisdictional program contract in a subsequent computer calculation step.**

In particular, independent claim 1 has been amended hereby to recite, *inter alia*, the following:

- “calculating with a computer payments due each noteholder of a note issued by the first issuer based at least in part upon the data regarding the purchase of each note issued by the first issuer and the data regarding the promise by the first issuer to pay at least principal and interest on the note issued by the first issuer” (emphasis added)

- “calculating with a computer payments due each noteholder of a note issued by the second issuer based at least in part upon the data regarding the purchase of each note issued by the second issuer and the data regarding the promise by the second issuer to pay at least principal and interest on the note issued by the second issuer” (emphasis added)

It is believed that this amendment, via which the data regarding the promise by the first and second issuers to pay at least principal and interest on each note issued by each issuer is explicitly utilized in a subsequent calculating step, should address the issue raised by the Examiner at pages 6-8 of the July 9, 2008 Final Office Action regarding subsequent use of data.

**In particular, this amendment should more clearly render the feature directed to each note sold having been issued by an issuer acting as a debtor that is itself one party to the respective multi-jurisdictional program contract as having patentable weight.**

Finally, it is again respectfully submitted (as had been discussed in the last Amendment) that Bahar actually teaches away from this feature directed to each note sold having been issued by an issuer acting as a debtor that is itself one party to the respective multi-jurisdictional program contract.

That Bahar (which relates to a method and system for auctioning bad debts utilizing an assorting arrangement based on the geographic location where jurisdiction is present over the debtor) actually teaches away from this claimed feature directed to each note sold having been issued by an issuer acting as a debtor that is itself one party to the respective multi-jurisdictional program contract is made clear by Bahar himself, where he states, for example, in the BRIEF SUMMARY OF THE INVENTION the following:

The present invention is for a method and system for auctioning bad debts utilizing an assorting arrangement based on the geographic location where jurisdiction is present over the debtor. The method and system establishes an online auction forum on a remote host system which is connected to a communications network and utilizes hardware and software means. The online auction software may be configured to run multiple, concurrent, and distinct auction sessions on the remote host system, and has database modules and at least one designated location bidding site. Each database module relates to a specific geographic location and contains data for bad debts that are associated with the same geographic location as that of the database module. Additionally, each database module relates to a designated location bidding site that is associated with the same geographic location as that of the database module. The data for

each bad debt can consist of select information pertaining to the bad debt that is determined to be informative and suitable for display on the auction forum and comprises a distinct bad debt item. Bad debt items contained in a particular database module can be rotatively displayed on the designated location bidding site that relates to the same geographic location as that of the database module. Potential buyers wishing to view or bid on bad debt items may enter the desired designated location bidding site for such purposes. Bad debt items that do not generate the minimum bid request amount may be classified back into their respective database so that they may be re-displayed on the location bidding site at a later time. In the alternative, bad debt items that do generate the minimum bid request amount will be deemed sold and may be re-classified into a database designated for processing. Through this method and system, it is expected that creditors may collect on bad debts owed to them by being able to easily and more effectively, locate buyers who are situated in a territorial district that has jurisdiction over the debtor. (Paragraph 0010) (emphasis added)

Similarly, Bahar himself states, for example, in the DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENTS the following:

As noted in the background discussion, the geographic location where jurisdiction is present over the debtor is a key factor in selling a bad debt to a third party purchaser. To this effect, the method 100 functions to drastically increase the potential buyers for bad debts by making the bad debts readily available to clients located in or near the geographic location(s) that have jurisdiction over the debtor. This may be accomplished by classifying a bad debt in a location bidding site database that is associated with a territory location which has jurisdiction over the respective debtor. As a result, creditors will be able to sell their bad debts much more quickly, efficiently, and without the expense and burdens typically associated with collection efforts. Thus, the method 100 provides an online environment from which potential clients can bid for a bad debt and, if successful in purchasing it, undertake collection efforts themselves. (Paragraph 0018) (emphasis added)

As seen from the above, in Bahar it is the creditors who use the method and system to sell bad debts.

**Thus, since in Bahar it is the creditors who use the method and system to sell bad debts, it is respectfully submitted that this reference actually teaches away from the claimed feature directed to each note sold having been issued by an issuer acting as a debtor that is itself one party to the respective multi-jurisdictional program contract.**

Therefore, it is respectfully submitted that the rejection of claims 1-3 under 35 U.S.C. 103(a) as allegedly being unpatentable over Bahar has been overcome.

Finally, it is noted that this Amendment is fully supported by the originally filed application and thus, no new matter has been added. For this reason, the Amendment should be entered.

For example, support for the amendment to claim 1 regarding wherein the first issuer, in acting as a debtor, promises to pay at least principal and interest on the note issued by the first issuer, may be found (as discussed in detail above) in the originally filed specification at, for example, page 127 – particularly paragraph 5.

Further, support for the amendment to claim 1 regarding wherein the second issuer, in acting as a debtor, promises to pay at least principal and interest on the note issued by the second issuer, may be found (as discussed in detail above) in the originally filed specification at, for example, page 127 – particularly paragraph 5.

Further, support for the amendment to claim 1 regarding wherein the data regarding the first multi-jurisdictional program contract includes the promise by the first issuer to pay at least principal and interest on the note issued by the first issuer may be found, for example (as discussed in detail above) in the originally filed specification at page 127 – particularly paragraph 5 as well as at page 2, lines 12-25, discussing computer implementation (since the promise is clearly disclosed (see above) and since a computer implementation is disclosed, it is submitted that inclusion in the data of the promise is clearly contemplated and would have been seen by one of ordinary skill in the art).

Further, support for the amendment to claim 1 regarding wherein the data regarding the second multi-jurisdictional program contract includes the promise by the second issuer to pay at least principal and interest on the note issued by the second issuer may be found, for example (as discussed in detail above) in the originally filed specification at page 127 – particularly paragraph 5 as well as at page 2, lines 12-25, discussing computer implementation (again, since the promise is clearly disclosed (see above) and since a computer implementation is disclosed, it is submitted that inclusion in the data of the promise is clearly contemplated and would have been seen by one of ordinary skill in the art).

Further, support for the amendment to claim 1 regarding calculating with a computer payments due each noteholder of a note issued by the first issuer based at least in part upon the data regarding the purchase of each note issued by the first issuer and the data regarding the promise by the first issuer to pay at least principal and interest on the note issued by the first issuer may be found, for example, in claim 1, as filed, as well as at page 2, lines 12-25,

discussing computer implementation (since a computer implementation is disclosed, it is submitted that calculating payments based on, among other data, the promise data associated with the first issuer is clearly contemplated and would have been seen by one of ordinary skill in the art).

Further, support for the amendment to claim 1 regarding calculating with a computer payments due each noteholder of a note issued by the second issuer based at least in part upon the data regarding the purchase of each note issued by the second issuer and the data regarding the promise by the second issuer to pay at least principal and interest on the note issued by the second issuer may be found, for example, in claim 1, as filed, as well as at page 2, lines 12-25, discussing computer implementation (again, since a computer implementation is disclosed, it is submitted that calculating payments based on, among other data, the promise data associated with the second issuer is clearly contemplated and would have been seen by one of ordinary skill in the art).

Favorable reconsideration is earnestly solicited.

Respectfully submitted,  
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